

## Takeover Response Policy

Embark Early Education Limited (the *Company*) has adopted this Takeover Response Policy (*Policy*) to assist in guiding the Board and management in the event that the Company receives an offer or an approach by a potential acquirer for a controlling stake in the Company. In addition, the Interested Director Protocol set out in **Appendix A** shall apply to any directors involved with, or otherwise associated with, a bidder (or likely bidder).

The purpose of this Policy is to ensure that the Company is well prepared for an approach and, therefore it will be better able to control the takeover response process and respond to any approach in a professional, timely and co-ordinated manner. This is to ensure that any approach is properly managed in the best interest of the Company and its shareholders.

### Objectives

The overall objective of the Company's takeover response strategy is to maximise value for shareholders. The specific objectives of this strategy and the Policy are to ensure that:

- the Company is well prepared for any takeover or similar approach;
- the Company is able to respond in a professional, timely and coordinated manner;
- the Company's shareholders are fully informed with respect to the value and prospects of the Company, the value of the offer and the offer process;
- all credible alternatives are pursued and, if appropriate, made available to shareholders; and
- the Company complies with all of its legal, regulatory and ASX Listing Rules requirements.

### Policy Application

This Policy sets out specific obligations that apply to directors, the Chief Executive Officer (*CEO*) and the Chief Financial Officer (*CFO*), as well as certain other employees who may be involved in the response process. In the event of an offer or approach occurring, the material contained in the Policy would be supplemented by the Company's management and external advisers at the time.

### Policy Detail

If the Company receives a takeover notice or any director becomes aware that a takeover notice or scheme of arrangement proposal is imminent:

- a) All directors, the CEO, CFO and Company Secretary should be advised immediately in confidence.
- b) The Company shall promptly release to the ASX an appropriate announcement reflecting the circumstances. The Board will consider seeking a trading halt if considered necessary to ensure an orderly market pending release of an announcement.
- c) Before engaging with any interested party, the Company should enter into a confidentiality agreement with that party.

- d) If the Board considers it desirable, it may establish a sub-committee comprised of non-interested directors which will have authority to make binding decisions in respect of the process, including but not limited to:
- i. retaining legal and financial advisers;
  - ii. appointing an independent adviser for the purposes of the Takeovers Code; and
  - iii. approving any announcements or communications relating to the potential transaction.

Any subcommittee should be comprised of directors who are not interested in the approach, so that they are in a position to make a recommendation to shareholders as to whether the offer should be accepted.

If the Board does not establish a sub-committee, the Board will be responsible for all matters relating to the Company's response to the potential transaction.

- e) If the Board considers it desirable, it may appoint a working group to manage the day to day response to the proposed offer, comprising selected employees and directors, as well as key external advisers.
- f) The Chairperson, or his or her nominee, will be the only person authorised to speak publicly on behalf of the Company in relation to the bid.
- g) The Company shall ensure that any internal valuation model is refreshed, and that external company research is monitored.
- h) Any market announcement in relation to the Company's financial performance, financial position, or prospective financial performance or financial position, shall be approved by the full Board, but if necessary on short notice, which may mean that certain directors do not have the opportunity to participate in the decision making.
- i) The Board will comply with all legal and regulatory obligations including the Corporations Act 2001 and ASX Listing Rules.
- j) The Company and each director will keep a record of all expenses incurred in response to a takeover bid, to enable the Company to seek recovery from the offeror.
- k) The Board will remain committed to obtaining the maximum value for shareholders through consideration of credible alternatives.
- l) The Board will engage in full communication with all shareholders with updated information provided as soon as practical and in accordance with the Company's Continuous Disclosure and Shareholder Communication Policy.

## Appendix A: “Interested Director” Protocol

This appendix sets out a protocol for any directors involved with, or otherwise associated with (such as a potential party to a lock-up agreement with), a bidder (or likely bidder) in the event of a takeover offer for the Company.

Directors have various obligations (including both disclosure and confidentiality obligations) under the Corporations Act 2001 and the ASX listing rules. This protocol sets out additional principles for regulating the role of, and flow of information to, interested directors.

- Any director who is involved with, or who is associated in any other way with, a bidder (or a person likely to become a bidder), subject to any legal restrictions, must make prompt disclosure to the Board (initially via the chairperson) as soon as he or she becomes aware of a potential bid.
- This disclosure should be sufficient to ensure that the directors not associated with any bidder (“non-interested directors”) can satisfy their legal obligations and properly assess what steps to take to prevent (or minimise) any prejudice to the Company and non-bidding shareholders as a result of the conflict.
- The non-interested directors, after consulting the Company’s legal adviser (if required), will:
  - confirm whether that director should be regarded as interested, and
  - take such steps as they shall reasonably consider necessary or desirable to prevent (or minimise) any prejudice to the Company and non-bidding shareholders as a result of the conflict.
- Any interested director will not be entitled to receive any information, report or other material provided to, or prepared by, the non-interested directors concerning the bid, the Company’s response to the bid, or any other matter the non-interested directors consider should not, in the circumstances, be disclosed to that director in view of his or her conflict, except to the extent that access is necessary for a interested director to fulfil their obligations under applicable law in respect of the offer. The Company management will be instructed accordingly.
- No interested director will make any request or demand for any bid response materials to any person other than the non-interested directors, who will be entitled to refuse access to that information or grant access on such terms and conditions as they consider appropriate. The Company management will be instructed accordingly.
- An interested director will not be entitled to attend meetings of the Board (or committees of the Board) called to discuss the bid, any related issues, or any other matters the non-interested directors consider should not be discussed with the interested director in view of that director’s conflict. An interested director will leave any meeting at which any such matter is discussed, unless the non-interested directors agree to him or her remaining.
- At the request of any interested director, or at any other time the non-interested directors consider appropriate, the non-interested directors will consider whether circumstances have altered sufficiently (e.g. a bidder has withdrawn) for a interested director to no longer be regarded as interested.